

Quincy Retirement Board

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REQUEST FOR PROPOSALS

INDEPENDENT FINANCIAL AUDIT SERVICES

PROPOSALS DUE: 4/18/23 at 2:00 p.m.

ISSUE DATE: MARCH 21,2023

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BACKGROUND

The Quincy Retirement System (QRS) is governed by a five-member Board and is the pension system serving the City of Quincy, Quincy Housing Authority and Quincy College. QRS manages over \$900 million in assets and employs a staff of five people in its office located in Quincy, Massachusetts.

As of December 31, 2021 QRS had 3,331 active and inactive members, retirees and beneficiaries within the retirement system.

The Quincy Retirement Board is issuing this Request for Proposals (RFP) seeking financial audit services by an independent Certified Public Accounting (CPA) firm. The selected firm will conduct an audit of the retirement system's financial statements and will present an opinion as to whether the financial statements and schedules are fairly presented and in conformity with generally accepted accounting principles. Further, the selected firm will conduct an audit for the purpose of forming an opinion and report on the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer prepared in conformity with Government Accounting Standards Board (GASB) 67 & 68 and all other relevant requirements. In addition, the selected firm will perform other testing on specific areas of retirement system operations as described in this RFP and will issue a report as to whether worked performed in these areas are in conformity to the rules and regulations of the Public Employee Retirement Administration Commission (PERAC) and all relevant best practices. Finally, the selected firm will be responsible for complying with the requirements for performing independent financial audits of public retirement systems as described in PERAC Memo #20 of 2008. A full and detailed scope of services is contained in this RFP.

PERAC Memo #20 of 2008 requires that the selection of a Certified Public Accounting firm to conduct independent financial audits of public retirement systems either in lieu of or in conjunction with the regularly scheduled audits conducted by PERAC, must be done via a competitive procurement process. It is the policy of the Quincy Retirement Board to conduct procurements for all services in accordance Massachusetts General Law (MGL) Chapter 30B. Further, all accounting, actuarial, legal and investment services to be procured by public retirement boards in the Commonwealth of Massachusetts must be done in accordance with the requirements of MGL Chapter 32, Section 23B.

As the procurement of independent financial audit services is associated with the performance of accounting functions, the Quincy Retirement Board has determined that this procurement will be performed to the extent practicable in accordance with the requirements of MGL Chapter 32, Section 23B. All potential offerors should be aware, however, that it is the position of the Quincy Retirement Board that MGL Chapter 32, Section 23B does not apply to this procurement. All potential offerors should also be aware that MGL Chapter 30B, Section 1(a) (15) specifically exempts from the public bidding laws of the Commonwealth contracts with certified public accountants.

Therefore, although it intends to proceed in a manner that meets all of the standards described in the statutes referenced above, the Quincy Retirement Board reserves the right to alter, amend or otherwise adjust its procedures in the procurement of services pursuant to this RFP if its deems such action to be in the best interests of the retirement system.

Work under this RFP is scheduled to begin as of and will proceed as follows:

- **June 1, 2023 – Audit of calendar year 2022.**
- **January 1, 2024 – Audit of calendar year 2023.**
- **January 1, 2025 – Audit of calendar year 2024.**
- **Review the option to renew an additional two (2) years**

INSTRUCTIONS TO OFFERORS

Designated Contact: In order to receive a copy of this RFP, an offeror must provide to QRS the following designated contact information. The designated contact for the offeror will be the individual authorized to receive communications from QRS during the procurement process. Each offeror must provide the following:

Name
Title
Address
Phone Number
Email Address

The person listed as the designated contact for the offeror will receive all correspondence from QRS. QRS intends to submit all communications relative to this RFP via email. However, QRS reserves the right to submit correspondence in any manner it deems appropriate.

No person shall receive a copy of this RFP without first by providing a designated contact as required in this RFP. The Board will not consider any proposal from any firm who has not registered in the manner required by this RFP.

Receiving Copies of the RFP: In order to receive a copy of this RFP you must contact:

Brigid Gaughan
Associate Executive Director
Quincy Retirement System
1212 Hancock St., Ste.210A
Quincy, MA 02169
617-376-1079 Email: bgaughan@quincyma.gov

This RFP will be available at the QRS offices located at 1212 Hancock St., Suite 210A Quincy, MA 02169 Regular QRS business hours are: Monday to Friday, 8:30 a.m. to 4:30 p.m. The RFP may be picked up at the QRS office or emailed at no charge. **The RFP**

will be sent via U.S. mail upon request and upon receipt of a certified check or cash in the amount of \$25.00.

The RFP will be available beginning at 8:30 a.m. on March 21,2023.

Correspondence and Questions: All correspondence and questions relating to this RFP will be submitted to the QRS's designated contact at the following address:

Brigid Gaughan
Associate Executive Director
Quincy Retirement System
1212 Hancock St., Ste.210A
Quincy, MA 02169
(617)-376-1079
Email: bgaughan@quincyma.gov

All questions or comments relative to this RFP shall be in writing and shall be directed to QRS's designated contact described above. Any changes in the requirements of this RFP will be issued via addenda. All addenda will be sent via email to the addresses provided by the offerors. The Board reserves the right to send addenda by a method other than email if, in its sole discretion, it shall determine that another method of communication is appropriate.

Offerors should acknowledge in their submission that they have received any addenda issued pursuant to this RFP. All addenda will be numbered in the following format: Addendum 1, Addendum 2, etc.

Offerors may call QRS' designated contact and ask questions orally. QRS will respond to oral questions but offerors should be cautioned that only written responses will be considered binding on QRS and only written responses by QRS will be incorporated into this RFP by reference. QRS is not liable for any oral communication relative to this RFP.

Offerors should be aware that any response by QRS to any written question or comment submitted by any offeror will be answered by responding to all registered offerors. All questions or comments on this RFP must be submitted to QRS's designated contact on or before **2:00 p.m. on April 7, 2023**. No questions or comments will be accepted after this date and time.

Proposal Format and Requirements: Responses to this RFP must be submitted on or before **2:00 p.m. Eastern Standard Time on Tuesday April 18, 2023**. Any proposal not meeting this deadline will not be accepted or considered. All proposals must be addressed as described below and submitted to:

Independent Financial Audit Services RFP
Quincy Retirement System
1212 Hancock St., Ste.210A

Quincy, MA 02169

Offerors may not submit their proposal via email. All proposals must be delivered or mailed to the address above. Offerors will submit two separate proposals: A technical proposal and a price proposal. Offerors shall submit seven original copies and one electronic copy on a disk or USB drive of their technical proposals. Offerors shall submit seven original copies of their price proposals. **Please do not submit an electronic copy of your price proposal.** No amendments will be accepted after the closing date and time. When mailing materials, offerors should allow adequate time to assure timely arrival.

All proposals must be complete in all respects. The Board reserves the right to request additional information or clarifications on any proposal. The Board may, in its sole discretion, determine that a proposal has failed to meet all of the criteria required by this RFP and may disqualify that proposal, provided, however, that the Board shall notify the respondent in writing prior to the issuance of any award under this RFP.

The Quincy Retirement Board (“Board”) shall unconditionally accept a proposal without alteration or correction, except as provided in clause (f) of subsection (b) of Section 23B of Chapter 32 of the Massachusetts General Laws. An offeror may correct, modify or withdraw a proposal by written notice received by the Executive Director prior to the time and date set for the opening of proposals contained in this RFP. After the opening of proposals, an offeror may not change the price or any other provision of the proposal in a manner prejudicial to the interests of the Board or fair competition.

The Board further reserves the right to waive any minor informality as defined in Massachusetts General Law Chapter 32, Section 23B in any proposals received.¹ The determination as to whether or not to make an award as a result of this RFP shall be at the sole and absolute discretion of the Board. If a mistake is clearly evident on its face, the Board shall correct the mistake to reflect the intended correct proposal and will notify the affected offeror in writing.

Offerors will be required to submit their proposals in two sealed envelopes. One envelope will contain the firm’s technical qualifications and the forms as required in this RFP. The second envelope will contain the price proposal contained as Appendix A in this RFP. The price proposal will be opened separately after the Board has reviewed and completed the final evaluation of the technical qualifications of all firms.

The two envelopes should be clearly marked, with the envelope containing the technical qualifications and the response to the requirements of this RFP stating:

INDEPENDENT FINANCIAL AUDIT SERVICES RFP – TECHNICAL PROPOSAL

¹ Massachusetts General Law Chapter 32, § 23B(b) states that minor informalities are “minor deviations, insignificant mistakes, and matters of form rather than substance of the proposal or contract document which can be waived or corrected without prejudice to other offerors, potential offerors, or the retirement board.”

And the second envelope containing your price proposal must clearly state:

INDEPENDENT FINANCIAL AUDIT SERVICES RFP – PRICE PROPOSAL

Each envelope must clearly state your firm's name and be clearly identifiable. Each submission (the technical proposal and the price proposal) must be signed by the individual authorized by your firm for this purpose.

Technical proposals shall be opened privately and in the presence of one (1) or more witnesses at 9:00 a.m., on Wednesday April 19,2023.

Offerors must submit all required information, forms and attachments as specified in this RFP. This includes the following:

Cover Letter: The proposal must be accompanied by a cover letter, which will be considered an integral part of the proposal, and which shall be signed by at least one individual who is authorized to bind the firm contractually. This cover letter must include the title and position of the authorized representative of the firm and a statement that the proposal is a firm and irrevocable offer.

Representations and Warranties: The Proposal must contain a statement or statements indicating that the offeror acknowledges the Representations and Warranties as required by this RFP.

Attachments and Certifications: All forms and certifications contained in this RFP in the Appendixes must be signed by an authorized officer of the firm.

Public Records: All proposals will become the property of QRS. Any and all materials provided in response to this RFP shall be deemed to be a public record and shall be subject to disclosure upon request, unless such materials or data are specifically or by necessary implication exempted from disclosure under Massachusetts General Law.

Incurring Fees: QRS will not be liable for any fees incurred prior to entering into an agreement with the successful offeror.

Award and Agreement: The successful offeror will be required to enter into an agreement which shall incorporate and be subject to all of the requirements contained in this RFP. Offeror's submission of a proposal in response to this RFP shall constitute its acceptance of all terms and conditions. The proposed agreement under this RFP will be for five years with an exclusive QRS option to extend the agreement for an additional two years. A draft of the proposed Agreement contemplated under this RFP is attached as Appendix D.

It is the responsibility of each offeror to examine the terms and conditions of this RFP. Failure to do so shall be at the offeror's own risk. The Board will assume that the offeror

Please be sure to send 6 copies of your response to the Quincy Retirement Office. has made a full investigation so as to be fully informed to the extent and character of the requirements of this RFP. No warranty is made or implied as to the information contained

in this document. QRS does not warrant the accuracy of any information incorporated by reference.

The Board shall act as the selection committee for the purposes of this procurement. No award shall be made pursuant to this RFP unless upon a majority vote of the Board taken at a properly posted open public meeting. Failure to achieve a majority vote of the Board authorizing a written agreement pursuant to this RFP or the failure to agree on mutually acceptable terms of an agreement will void any designation by the Board of an apparent winning proposal. The Board shall have sole discretion in determining whether the parties are unable to reach an agreement on the mutually acceptable terms of a written agreement pursuant to this RFP.

Cancellation of the RFP: The Board reserves the right to cancel this RFP, or to reject any and all proposals, or any portion of any proposal, received in response to this RFP, upon its determination that such cancellation or rejection is in the best interests of the retirement system. Offerors acknowledge that the Board shall not be liable for any fees incurred in the preparation of their proposal.

Proposed Time-Line: The current schedule for this procurement is as follows:

- March 21,2023 – Issuance of the RFP
- April 7,2023 @ 2:00 p.m. – Deadline for Questions
- April 12,2023 – Deadline for Issuing Responses to Questions
- **April 18,2023 @ 2:00 p.m. (EST) – Deadline for Submission of Proposals**
- April 19,2023 @ 9:00 a.m. – Opening of Technical Proposals
- April 20,2023 – Board Evaluation of Proposals – Tentative Vote to Award
- April 2023 – TBD by the Board interviews of prospective candidates.

Proposal Contents: To be considered responsible, responsive, and eligible, each proposer shall submit a proposal that contains information regarding its background and general experience of the firm, which includes but is not limited to the following:

1. The principal accounting, tax and consulting services provided to public sector entities;
2. The firm's size, in terms of employees and number of offices;
3. The ownership structure of the firm;
4. The number of years the firm has been providing audit services, including the years providing audit services to municipalities, public employee retirement systems and any other public sector or tax-exempt clients;
5. The identity of the specific partner and staff that will be assigned to this engagement with their resumes or a complete description of their background, education and experience;

6. A description of the professional quality control program employed by your firm for municipal or public retirement system audits. Include a copy of the results of the last professional peer evaluation of the firm;
7. The name, address, telephone number and years that the firm has worked with at least three (3) other public agency audit client references that QRS may contact;
8. A work plan that demonstrates the time estimates and staffing requirements for performing the services contained in this RFP;
9. The type and amount of assistance you will require from QRS in order to perform the services contained in this RFP;
10. Any other information you feel is relevant to the firm's qualifications to perform the services required by this RFP and which is not otherwise requested or required herein.

MINIMUM QUALIFICATIONS

To be considered responsible, responsive, and eligible, each proposer shall meet the following minimum qualifications to be considered by the Board. Failure to meet the minimum required qualifications of this RFP will result in the rejection of a proposal.

The minimum qualifications necessary to be considered under this RFP are the following:

1. As of January 1, 2021 the offeror shall be a Certified Public Accountant (CPA), licensed to practice in the Commonwealth of Massachusetts;
2. As of January 1, 2021, the offeror shall be providing audit services in some capacity to a public employee pension fund, either directly or in connection with the audit of a municipality or other public entity, or shall be providing audit services to at least one (1) municipality or other public entity;
3. The offeror shall maintain an errors and omissions insurance policy providing a prudent amount of coverage for negligent acts or omissions and that such coverage will be applicable to the offeror's actions under this RFP and Agreement.
4. The offeror shall have completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or governmental authority for acts contemplated by this RFP and Agreement.

SCOPE OF SERVICES

The scope of services shall include *but are not limited to*, the following services:

1. Complete an annual audit of QRS financial statements in accordance with generally accepted audit standards and provide an opinion as to whether the financial statements present fairly, in all material respects, the financial status of the system and, further, that the financial statements are in accordance with PERAC regulations and standards, and further, that QRS is in substantial compliance with Massachusetts General Law (MGL) Chapter 32;
2. If requested, perform additional audit work in lieu of or in conjunction with the regular or special audits performed by PERAC as authorized under MGL Chapter 32, Section 21(1)(a), and, further, to cooperate in all respects with PERAC in the production of documents, provision of information or in any manner that PERAC may determine and, further comply with the requirements of 840 CMR 25.00 and PERAC Memo #20/2008 and make all audit work papers available to PERAC as necessary and, further that the selected firm will meet as necessary with the Audit Division of PERAC to advise them of any issues related to QRS;
3. Review annually a completed Internal Control Questionnaire (ICQ) as provided by PERAC to insure compliance with MGL Chapter 32, best practices and, further, to report to the Board on any matter involving internal controls that rise to the level of reportable conditions under standards established by the American Institute of Certified Public Accountants;
4. To annually conduct testing and to specifically comment in each annual audit on the following specific areas of QRS operations:
 - a. Travel and expense reimbursement procedures.
 - b. Superannuation retirement calculations.
 - c. Disability retirement calculations.
 - d. Posting and reconciling of monthly deduction contributions.
 - e. Withholding errors or omissions.
 - f. Procedures for the award of creditable service through the purchase of prior non-membership service or military service.
 - g. Procedures and practices in the management of installment plan payments for the purchase of service or the repayment of errors.
 - h. Allocation procedures for determining the annual appropriation.
5. Conduct an annual audit for the purpose of forming an opinion and report on the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer, prepared in conformity with the rules issued by the Government Accounting Standards Board (GASB) and with accounting principles generally accepted in the United States, and, further that the selected firm will annually present to the member units of the retirement system the findings as described herein;
6. Provide other accounting, tax or consulting services as requested;

7. Insure that each annual audit is completed and presented to the Board no later than August 31th of each year of the Agreement.
8. The selected offeror must adhere at all times and in all work performed under this agreement to the requirements of Massachusetts General Law Chapter 32 and the rules and regulations promulgated by the Public Employee Retirement Administration Commission (PERAC).
9. The selected offeror will commit to attend meetings of the Board or any other public body designated by the Board that may necessary to fulfill the requirements of this RFP and shall do so at the direction and discretion of the Board or the Executive Director. Further, the selected offeror may from time-to-time be asked to undertake tasks not included in this RFP but which are essential to the operation of the retirement system. Such out-of-scope assignments shall be paid for under a negotiated price that shall be approved by the Board in advance of any work performed.

AGREEMENT

The Board will enter into a three (3) year agreement with an option to extend the agreement an additional two years, which option shall be exercised at the sole discretion of the Board. The Board may extend the agreement beyond three years if, after a reasonable investigation of the costs and benefits of doing so, it has determined in writing that the exercise of the option is more advantageous than alternate means of procuring comparable services.

A copy of the proposed agreement is included as Attachment D to this RFP. Each offeror shall state in their cover letter submitted as part of their proposal that it will agree to and execute a contract containing the provisions substantially similar to those set forth in Attachment D. The offeror shall state any specific objections to the draft agreement in their proposal.

The agreement entered into pursuant to this RFP is subject to 840 CMR 25.00 and the selected firm shall comply with all aspects of 840 CMR 25.00.

PRICE PROPOSAL

A price proposal form is contained in this RFP as Appendix A. Offerors must complete the price proposal form in full. The price proposal should account for all of the services required in this RFP.

REPRESENTATIONS AND WARRANTIES

Each offeror will acknowledge in their proposal the following:

1. That it maintains an errors and omissions insurance policy providing a prudent amount of coverage for negligent acts or omissions and that such coverage will be applicable to the offeror's actions under this RFP and Agreement;
2. That it maintains workers compensation and liability insurance providing a prudent amount of coverage and that such coverage will be applicable to the offeror's actions under this RFP and Agreement.
3. That it will provide assurances to QRS that a Criminal Offender Record Information (CORI) check has been completed on all employees that will be assigned to this Agreement, and that no employee poses a risk to any agent or employee of QRS.
4. That it will agree to the provisions of the agreement, or such similar agreement, which is set forth in Attachment D of this RFP, except as specifically noted in the proposal, if applicable;
5. That it has completed all forms contained in this RFP as attachments and as required.

RULE FOR AWARD

The technical proposals will be opened privately on the date indicated in this RFP by the Executive Director acting as the Chief Procurement Officer and in front of at least one witness. At the time of the opening of the proposals, the Executive Director shall register each proposal and shall note any modifications that may have been submitted. The register of proposals shall be open for public inspection.

Board members will be provided with the technical proposals prior to their scheduled Board meeting. Board members will evaluate the technical proposals individually prior to the scheduled Board meeting and will state in writing the reasons for their evaluations. Proposals shall be confidential as the Board members complete their individual evaluations and shall remain confidential until such time as the Board meets in an open, public meeting to evaluate the proposals. Until such time as the Board meets in an open, public meeting to evaluate the proposals, no information concerning any proposal may be disclosed to competing offerors.

Board members shall be responsible for conducting an initial evaluation of each proposal based solely on the criteria set forth in this RFP. The initial evaluations completed by each Board member shall specify in writing the rating for each proposal and the reasons therefor.

If one or more Board member has not completed their evaluation of the technical proposals prior to the meeting scheduled to evaluate such proposals, the Board Chair will table the discussion of the technical proposals until such date and time as he/she shall determine for the completion of the evaluation. However, no composite evaluation of the proposals shall be completed by the Board until all members have individually evaluated the technical proposals.

If one or more Board member(s) shall not be in attendance at the time the technical proposals are evaluated, that member(s) shall abstain from the selection process.

The Board will review the technical proposals and their individual evaluations at a properly posted open public meeting. The Board will develop a composite ranking of each technical proposal based on the individual evaluations. If the Board requires clarification or additional information, the request will be communicated to the designated contact of the offeror by the Executive Director. The Board reserves the right to interview one or more offerors to seek clarification during the evaluation process.

Upon completion of the evaluation of the technical proposals by the Board, the cost proposals shall be opened. The Board Chair, or his/her designee shall open the cost proposals during the public meeting and with all members of the Board present.

The Board shall review the cost proposals. The Board, by a majority vote of those members present and voting, shall determine the most advantageous proposal from a responsible and responsive offeror. The most advantageous proposal shall be based on the Board's composite ratings of the technical and cost proposals. The most advantageous proposal

may not be the lowest cost proposal and it may not have the highest composite ranking of the technical proposal. The most advantageous proposal will be based on the Board's evaluation of the costs and benefits associated with each proposal. The proposal selected by the Board will be that which provides the best combination of quality and price for the Quincy Retirement System.

The Executive Director will notify in writing the offeror whose proposal is selected as the most advantageous. Such notice shall contain the time by which the selected offeror must accept the award of the agreement contained herein. The time for acceptance may be extended by a mutual agreement of both parties.

The Board reserves the right to condition an award on the successful negotiation of any proposed revisions as specified in the evaluations completed by the Board and shall explain in writing the reasons for such revisions.

No agreement for services under this RFP shall be executed until such agreement is authorized by a majority vote of the Board. The Board reserves the right to cancel this RFP, or to reject any and all proposals, or any portion of any proposal, received in response to this RFP, upon its determination that such cancellation or rejection is in the best interests of the retirement system.

All information submitted by each offeror pursuant to this RFP will be released publicly upon completion of the selection process.

EVALUATION CRITERIA

Each proposal will be rated in the following manner and on the following criteria.

1. Experience of the Proposer in auditing, tax and other accounting matters.

Highly Advantageous: Ten (10) or more years of experience in performing complex audits of municipalities and public employee retirement systems.

Advantageous: Five (5) or more years, but less than ten (10) years, of experience in performing complex audits of municipalities and public employee retirement systems.

Not Advantageous: Five (5) years or less experience in performing complex audits of municipalities and public employee retirement systems.

Unacceptable: No experience in performing audits for municipalities and public employee retirement systems.

2. Complexity of prior public sector audits.

Highly Advantageous: Significant demonstrated experience in performing complex auditing, tax and accounting services for multiple municipalities and/or public employee retirement systems.

Advantageous: Demonstrated experience in performing some complex auditing, tax and accounting services for multiple municipalities and/or public employee retirement systems.

Not Advantageous: Limited experience in performing auditing, tax and accounting services for some municipalities and/or public employee retirement systems.

Unacceptable: No experience in performing auditing, tax and accounting service for some municipalities and/or public retirement systems.

3. Quality of the Proposal.

Highly Advantageous: The proposal that is complete in all respects, follows the organization of the RFP and responds to all requirements. The proposal is clear, concise and easy to understand.

Advantageous: The proposal is generally considered complete in all respects, with some areas in question, but generally follows the organization of the RFP and responds to nearly all requirements.

Not Advantageous: The proposal is nearly complete in all respects, although it does not follow the organization of the RFP but responds to most of the requirements.

Unacceptable: The proposal is clearly incomplete and does not respond to a majority of the requirements of the RFP, and it is disorganized and non-responsive.

4. Experience with PERAC and MGL Chapter 32.

Highly Advantageous: The offeror has performed multiple audits for more than fifteen (15) years that have been accepted by PERAC, has demonstrated a long-standing ability to respond to direction from PERAC in the conduct of audits of public employee retirement boards and has many years of evaluating public employee retirement board compliance with MGL Chapter 32, and 840 CMR 25.00.

Advantageous: The offeror has performed multiple audits for less than fifteen (15) years that have been accepted by PERAC, has demonstrated a long-standing ability to respond to direction from PERAC in the conduct of audits of public employee retirement boards and has many years of evaluating public employee retirement board compliance with MGL Chapter 32, and 840 CMR 25.00.

Not Advantageous: The offeror has not performed many audits of public employee pension systems or has performed such audits for less than five (5) years and has

demonstrated little, if any, experience with PERAC requirements, MGL Chapter 32, or 840 CMR 25.00.

Unacceptable: The offeror has not demonstrated any experience performing audits of public employee pension systems or that it has any experience with PERAC requirements, MGL Chapter 32, or 840 CMR 25.00.

5. Understanding of Massachusetts public retirement systems and the laws and regulations applicable to Massachusetts public retirement systems.

Highly Advantageous: The offeror has fifteen (15) years or more experience in providing auditing, tax and accounting services to public employee retirement systems in Massachusetts.

Advantageous: The offeror has at least five (5) years, but less than fifteen (15) years, experience in providing auditing, tax and accounting services to public employee retirement systems in Massachusetts.

Not Advantageous: The offeror has less than five (5) years in providing auditing, tax and accounting services to public employee retirement systems in Massachusetts.

Unacceptable: The offeror has no experience providing auditing, tax and accounting services to public employee retirement systems in Massachusetts.

6. Experience performing retirement system audits in compliance with GASB 67 & 68 and demonstrated experience in coordinating GASB 68 reports with retirement system actuaries.

Highly Advantageous: The offeror has experience providing GASB 67 & 68 compliant reports to four (4) or more public retirement systems.

Advantageous: The offeror has experience providing GASB 67 & 68 compliant reports to at least two (2), but less than four (4), public retirement systems.

Not Advantageous: The offeror does not have experience providing GASB 67 & 68 compliant reports to at least two (2) public retirement systems.

Unacceptable: The offeror has no experience providing GASB 67 & 68 compliant reports to public retirement systems.

APPENDIX A PRICE PROPOSAL FORM

Please complete item number one (1) by listing the total cost for each year of the contract. This amount will be the total paid to your firm for all work included in this RFP for each calendar year that the agreement is in effect. Please total the amount of all years listed below as indicated. **The total price of your proposal will be the total cumulative amount for all five (5) years listed below.**

1. Annual Independent Financial Auditing Consulting Fees:

Year 1 (Commencing 4/1/2023): \$ _____

Year 2 (Commencing 1/1/2024): \$ _____

Year 3 (Commencing 1/1/2025): \$ _____

Year 4 (Board Option): \$ _____

Year 5 (Board Option): \$ _____

Total Actuarial Consulting Fees (Add Years 1 to 5)² \$ _____

2. All payments will be made only upon receipt by the Board of a properly submitted and approved payment request and only after a vote of the Board approving said payment at a properly posted meeting held in accordance with the Open Meeting Law of the Commonwealth of Massachusetts.
- 3. The Board may negotiate the fees for the option years (Year 4 and Year 5) upon request of the selected firm but only if the Board determines that such negotiation is in the best interests of the retirement system. In no event, however, will the negotiated fee for the either of the option years be greater than 10% more than the amount contained in this Fee Proposal for Year 5.**
4. For work that is out-of-scope of this agreement, a fee will be negotiated in advance and no work will commence except upon prior approval of the Board. No invoice will be paid for any out-of-scope work for which there is no prior approval by the Board for either the work assigned or the fee to be paid.

² Total Actuarial Fees for Years 1-7 will be considered the firm's total fee for purposes of evaluating this proposal.

APPENDIX B



PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION
RIVE MIDDLESEX AVENUE, SUITE 304 | SOMERVILLE, MA 02145



6052281

Vendor Contact Information

Please print or type all entries in blue or black ink.

Fund Name:

Name of Retirement Board:

1. Company/Entity Information:

Company/Entity Name:

CRD# (if Applicable):

Address:

City:

State:

Zip:

Country:

Phone:

Fax:

URL:

2. Contact Information:

Name, First:

Last:

Suffix:

Title:

Department:

Phone:

Fax:

Email:

3. Contact Address:

Same as Company Address? ☐ No ☐ Yes

Address:

City:

State:

Zip:

Country:

APPENDIX C



PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION
FIVE MIDDLESEX AVENUE, SUITE 304 | SOMERVILLE, MA 02145



11838135

Vendor Certification

In all circumstances Massachusetts Law (Chapter 32, Section 23B) requires service providers to complete this form and submit it to the retirement board. The board must file the completed form with PERAC. In the case of investment managers upon acknowledgement from PERAC that this and other filings have been received, the board may retain the service provider.

Please print or type all entries in blue or black ink.

1. Retirement Board

Retirement Board to which proposal is being submitted:

2. Service Provider

Business Name:

Address:

City:

State:

Zip:

Services Being Proposed:

Dates of Services (MM/DD/YYYY)

From:

To:

3. Individual Submitting Proposal

Name, First:

Last:

Suffix:

Title:

The undersigned certifies that this proposal has been made and submitted in good faith and without collusion or fraud with any person. As used in this certification, the word "person" shall mean a natural person, business, partnership, corporation, union, committee, club or other organization, entity or group of individuals.

Signature:

Date:

APPENDIX D

AGREEMENT

This Agreement ("Agreement"), dated as of the day of _April 1 __, 2023 is made by and between the Quincy Retirement System (QRS) 491 1212 Hancock St, Suite 210A Quincy, MA 02169 and [Firm], a [] corporation having its principal place of business at _____[] ("Firm").

WHEREAS, the Board ("Board") of QRS desires to obtain the services of a qualified public accounting firm, licensed to practice in the Commonwealth of Massachusetts, to conduct an annual financial audit of the financial statements of the system, and;

WHEREAS, QRS issued a Request for Proposals ("RFP") entitled Independent Financial Audit Services dated January 30, 2023, a copy of which is incorporated herein by reference, to provide such audit services, and;

WHEREAS, the Firm submitted a response ("Proposal") to said RFP, a copy of which is incorporated herein by reference, and;

WHEREAS, the parties desire to enter into an agreement for said audit services under the terms thereof;

NOW THEREFORE, in consideration for the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Incorporated Documents: The terms of the RFP and the Proposal are incorporated herein by reference. In the event that there is any conflict or inconsistency in any of the documents that make up this Agreement, the order of priority for interpretation shall be first, this Agreement; second, the RFP; and third, the Proposal.

2. Retention of the Firm. The Board hereby appoints and retains the Firm to provide (a) the professional audit services set forth and described in the Scope of Services in the RFP; (b) such related services not otherwise defined as may be required to carry out the objectives set forth in said Scope of Services; and (c) its services in accordance with the requirements, duties and responsibilities set forth in the RFP as are not specifically inconsistent herewith. For the first year of the engagement, the Firm shall have their final audit report on the financial statements available for review by the Board by August 31, 2023. In any subsequent contract year, the Firm shall have said financial statements completed by the last day of August.

The Firm hereby accepts said appointment and agrees to provide the said professional audit services in accordance with (a) this Agreement, (b) generally accepted audit standards, and (c) any supplementary directions of the Board or its designee.

3. **Term:** The term of this Agreement shall commence on April 1, 2023 and shall continue through December 31, 2025 and, subsequently, for two one-year options at the sole discretion of the Board. The Board may extend the agreement beyond five years if, after a reasonable investigation of the costs and benefits of doing so, it has determined in writing that the exercise of the option is more advantageous than alternate means of procuring comparable services.

4. **Termination.**

a. **Without Cause:** This Agreement may be terminated at any time without cause by either party upon at least sixty (60) calendar days prior written notice to the other, effective as of the date set forth in such notice.

b. **With Cause:** The Board may, by written notice of default to the Firm, terminate this Agreement for cause in any one of the following circumstances:

(a) if the Firm fails to perform the services in a timely and professional fashion; or;

(b) if the Firm fails to fulfill any material term of this Agreement or so fails to make progress in the engagement as to endanger performance of this Agreement; and;

(c) in either of these instances does not cure such failure within a period of thirty (30) calendar days after receipt of prior written notice from the Board specifying such failure; provided however, that the Firm shall not be in default if any such failure to perform or make progress arises out of causes beyond the control and without the fault or negligence of the Firm. In the event of such termination, the Board may, but need not, procure, upon such terms and in such manner as it shall deem appropriate, services similar to those so terminated without prejudice to any other rights and remedies for default the Board may have. Firm shall be liable to the Board for any excess costs for such similar services.

Any termination of this Agreement shall be without payment of any penalty by QRS.

Upon termination, all documents, data, studies, reports and the like, finished and unfinished, prepared by the Firm pursuant to this Agreement shall become the property of QRS and shall be transferred to QRS; provided, however, that the Firm may retain copies of any such documents required for its own record keeping purposes. The Board shall, upon receipt of said work, pay the Firm the reasonable value of said work less any set-off for damages caused by the Firm in the event that termination is for cause as set forth above.

A pro rata determination of fees, if appropriate, will be made for any period in which this Agreement has been terminated.

In the event of termination, the Firm shall not be relieved of any liability to QRS for injury or damages sustained by QRS by virtue of any breach of the Agreement by the Firm. In the event of termination pursuant to this section, QRS may withhold any payments to the Firm

for the purpose of set-off until such time as the exact amount of damages due to QRS from the Firm is determined.

5. Fees and Expenses. The Firm will be entitled to receive from the Board as complete compensation for services rendered hereunder the fees set forth in Fee Proposal hereto ("Fee Proposal"), and such fees will be paid by the Board at the times and in the manner specified in the Fee Proposal. The Fee Proposal may be modified by mutual agreement of the parties in writing. The Firm will not be paid or reimbursed for any expenses except to the extent permitted by the Board in writing.

In no event shall the liability of QRS in connection with this Agreement exceed the compensation provided for under this paragraph. In no event shall QRS be liable to the Firm for damages for loss resulting from causes beyond the reasonable control of QRS, and in no event shall QRS be liable for incidental, special or consequential damages, including loss of anticipated revenues or profits, whatever the cause.

In the event that an unforeseen miscellaneous expense is incurred, the Firm shall receive QRS's approval in writing prior to incurring the expense if it will subsequently seek payment of said expense from QRS.

Payment shall be made to the Firm for work completed in accordance with this Agreement. All requests for payment shall be submitted to QRS as an invoice and shall specify work completed, progress made toward completing deliverables, the number of hours worked, the classification of each employee who performed work, and the billing rate for each employee who performed work on the project.

Payment will be due sixty (60) calendar days after receipt of the Firm's invoice by QRS for services rendered in accordance with this Agreement. QRS shall not make payments in advance.

If QRS objects to all or part of any invoice, QRS shall notify the Firm in writing within two (2) weeks of the date of receipt of the invoice, and shall pay that portion of the invoice not in dispute within sixty (60) calendar days after the date of receipt of the invoice.

Should it be necessary for the Firm to engage the services of a specialized Firm or companies other than those originally proposed in the Firm's response to QRS's Request for Proposals, the Firm shall take such measures only with QRS's prior written approval. Charges for such services, with no mark-up, shall be billed directly to QRS unless otherwise agreed upon by the parties.

Payment of the amounts due under this Agreement shall release QRS and its officers, employees, boards, commissions, committees, agents and representatives, from any and all claims and liability in any way relating to this Agreement or anything done in pursuance thereof.

No payment by QRS to the Firm shall be deemed to be a waiver of any right of QRS under this Agreement or a ratification by QRS of any breach hereof by the Firm.

6. Records. The Firm shall maintain such books, records and other compilations of data as are sufficient to substantiate the performance of its duties hereunder, and to document the procedures followed. The Firm shall make all such records available to QRS at the Firm's offices during office hours upon reasonable notice and the Firm shall provide copies to QRS upon request. The Firm shall keep all such records for a period of six (6) years or for such longer period as is specified by the Board. All retention periods start on the first day after final payment under this Agreement. If any litigation, claim, negotiation, audit or other action involving the records is commenced prior to the expiration of the applicable retention period, all records shall be retained until completion of the action and resolution of all issues resulting therefrom, or until the end of the applicable retention period, whichever is later.

7. Services Not Exclusive. The services of the Firm and its personnel to be provided under this Agreement are not exclusive, and the Firm may provide services to others and engage in other activities, but the Firm will allocate such personnel and devote such efforts as are necessary for it to carry out its duties under this Agreement.

8. Status of Firm. Firm is engaged under this Agreement as an independent contractor and not as an agent or employee of QRS. No employee, agent or representative of the Firm shall be entitled to receive any benefits of employment with QRS, including without limitation salary, overtime, vacation pay, holiday pay, sick leave, health insurance, life insurance, pension or deferred compensation.

9. Indemnification. Firm agrees to defend, indemnify and hold harmless QRS and its officers, employees, boards, commissions, committees, agents and representatives from and against all claims, causes of action, suits, costs, damages, and liability of any kind which arise out of the breach by the Firm of its obligations under this Agreement, or the act or omission of the Firm, its subcontractors, or their officers, employees, agents and representatives or anyone directly or indirectly employed by them, or anyone for whose acts or omissions they may be liable, regarding the work to be performed by the Firm under the Agreement, or which arise out of the violation of any federal, Massachusetts or local statute, by-law, rule, regulation, order or directive. Said costs shall include, without limitation, reasonable legal costs, collections fees, and counsel fees incurred in defending any claim or suit that may be brought against QRS and any judgment that may be obtained in any such claim or suit. The Firm shall provide and maintain throughout the term of the Agreement and any extension or renewal thereof the following insurance with companies that are authorized and licensed in the Commonwealth of Massachusetts to issue policies for the coverages and limits so required.

10. Persons Authorized to Act for the Firm. The Firm will from time to time certify to the Board the name of the person or persons authorized to act on its behalf. Any person so certified will be an authorized representative of the Firm for purposes of this Agreement

and his authority to act on behalf of the Firm will continue until notice to the contrary is given by the Firm and received by the Board.

11. Persons Authorized to Act for the Board. The Board has designated the Executive Director to act on its behalf in giving instructions, directions, notices or other communications to the Firm. The authority of any such person to act on behalf of the Board will continue until notice to the contrary is given by the Board and received by the Firm. All oral instructions shall be promptly confirmed in writing.

12. Authority. Each of the parties to this Agreement represents that it is duly authorized and empowered to execute, deliver and perform this Agreement, that such action does not materially conflict with or violate any provision of law, rule or regulation, contract, deed of trust, or other instrument to which it is a party or to which any of its property is subject, and that this Agreement is a valid and binding obligation, enforceable against such party in accordance with its terms. The undersigned for each party represents that he/she is authorized to execute this Agreement on behalf of that party.

13. Communication. Any approvals, instructions, directions, notices or other communications (other than oral instructions described in Section 11) pursuant to this Agreement will be mailed or delivered:

a) to the Board at:

Brad Croall
Executive Director
Quincy Retirement System
1212 Hancock St, Suite 210A
Quincy, MA 02169

b) to the Firm at:

Either party may change the address for notices or other communications to it by written notice to the other stating the new address. Notices from either party to the other will be effective when received by the addressee.

The Firm shall promptly notify the Board in writing of: (1) any change in the Firm's representations in this Agreement during the term of this Agreement; (2) any change in the senior management or material changes in ownership of the Firm's organization; (3) any change in Firm's senior staff assigned to the System; (4) any other material change in the Firm's business activities or circumstances; (5) any action taken by the Firm that is contrary to or inconsistent with this Agreement; and (6) the commencement by any governmental regulatory or law enforcement agency of any investigation, examination or other

proceeding directly involving the Firm, its owners, or employees, except such investigations, examinations or other proceedings as are routinely conducted in the ordinary course of the Firm's business.

14. Assignment, etc. The Firm shall not assign this Agreement without the prior written consent of the Board. The Firm shall not subcontract or delegate any of the services provided for under this Agreement, in whole or in part, to any other person or entity without the prior written approval of the Board. No subcontract or delegation shall relieve or discharge the Firm from any obligation or liability under this Agreement.

15. No Waiver. Any failure by QRS to assert its rights for or upon any default of this Agreement shall not be deemed a waiver of such rights, nor shall any waiver be implied from the making of any payment hereunder.

16. Personal Liability Excluded. Neither the QRS, nor its officers, employees, boards, committees, commissions, agents and representatives shall be under any personal obligation or incur any personal liability by reason of this Agreement, the execution thereof or anything relating thereto which arises out of the breach or violation of any provision of this Agreement, or the violation of any Federal, Massachusetts or local statute, by-law, rule, regulation, order or directive, regarding the subject matter of this Agreement

17. Confidentiality Agreement: The Firm acknowledges that the records of the Quincy Retirement System (QRS) contain documents and other data which are considered under the law to be personal and confidential information which is exempt from public disclosure. Such data includes, but is not limited to, medical records, tax returns, domestic relations orders, residential addresses, telephone numbers, dates of birth, and social security numbers of members and beneficiaries of QRS.

The Firm acknowledges that as a vendor/consultant providing services to QRS, the Firm has a duty to hold and maintain the confidentiality of all personal and confidential information pertaining to the members and beneficiaries of QRS; and that, further, the Firm hereby agrees that it will hold and maintain the confidentiality of all personal information as confidential to those outside of QRS.

The Firm hereby agrees to indemnify and hold harmless the Quincy Retirement System, its Board, officers, employees, boards, commissions, attorneys, committees, agents and representatives from and against all claims, causes of action, suits, costs, damages, and liability of any kind whatsoever arising from, directly or indirectly, the Firm's release of personal and medical information and documents contained in the System's records and files.

18. Entire Agreement/Severability/Amendment. This Agreement and the documents incorporated by reference as stated herein set forth the entire understanding between the parties as to the subject matter hereof and supersedes all prior or collateral agreements and representations. To the extent that there is any conflict between the Agreement and any provisions of any other document incorporated by reference, the Agreement shall prevail.

If any provision, or portion thereof, of this Agreement shall be adjudged to be invalid or unenforceable by final judgment or order of a court of competent jurisdiction the remaining provisions shall continue in effect to the extent permitted by law. This Agreement may not be amended or modified except by a writing signed by both parties and upon a vote of the Board specifically authorizing the amendment or modification.

19. Delays/Force Majeure. Except as specifically set forth in this Agreement, neither party shall hold the other responsible or liable for damages or delays in performance caused by acts of God, interruptions in the availability of labor, or other events beyond the control of the other party, or that could not have been reasonably foreseen or prevented. For this purpose, such acts or events shall include unusually severe weather affecting performance of services, floods, epidemics, wars, riots, strikes, lockouts, or other industrial disturbances, protest demonstrations, and project site conditions which could not have been reasonably anticipated. Should such acts or events occur, both parties shall use their best efforts to overcome the difficulties arising and to resume, as soon as reasonably possible, the normal pursuit of performance under the Agreement.

20. Venue/Applicable Law. Any action at law or suit in equity instituted by the Firm as a result of the performance, non-performance or alleged breach of this Agreement shall be filed in the Superior Court of the Commonwealth of Massachusetts for Norfolk County, MA, and in no other court or jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, regardless of choice of law issues or principles.

21. Certifications. By entering into this Agreement, the Firm certifies under penalties of perjury that its entry was made and submitted in good faith and without collusion or fraud with any person. As used in this certification, the word “person” shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals. The Firm also certifies under the penalties of perjury, pursuant to M.G.L. c.62C, Section 49A (b), that it has complied with all laws of the Commonwealth relating to taxes, to reporting of employees and contractors, and to withholding and remitting child support. The Firm also represents that, pursuant to M.G.L. c. 268A, the Firm and its officers, employees, agents, subcontractors and affiliated agencies shall not participate in any activity which constitutes a violation of the Massachusetts Conflict of Interest Law or which creates an appearance of a violation of the Massachusetts Conflict of Interest Law.

22. Non-Discrimination. The Firm shall not discriminate against or exclude any person from participation herein on grounds of race, color, religious creed, national origin, sex, gender identity, sexual orientation (which shall not include persons whose sexual orientation involves minor children as the sex object), age, genetic information, ancestry, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, and handicap. The previous sentence shall include, but not be limited to, the following: advertising, recruitment; hiring; rates of pay or other forms of compensation; terms; conditions or privileges of employment; employment upgrading; transfer; demotion; layoff; and termination.

23. Successors and Assigns. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, assigns and successors in interest of the parties.

IN WITNESS WHEREOF, the Firm and QRS have executed this Agreement as of the date first above written.

Quincy Retirement System:

BY: _____
Susan O'Connor, Chair

Ernie Arienti, Member

Michael McFarland, Member

Rick Fitzpatrick, Member

Paul Brown, Member

Firm

BY: _____
Name
Title